## Tobacco Control Update: Trends, Changes and Moving New Mexico Forward.

Tobacco Settlement Revenue Oversight Committee July 13, 2011

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### **Tobacco Control Update**

- Patient Protection and Affordable Care Act and Tobacco Use Prevention and Control
- Update on e-cigarettes
- Progress in New Mexico Reducing the Impact of Tobacco
- Moving New Mexico Forward

## PPACA and Tobacco Use Prevention and Control

## Under the Patient Protection and Affordable Care Act:

- <u>Private Insurance</u> required coverage of smoking cessation and other preventive services for nongrandfathered plans. Coverage level to be determined by "essential benefits"
- Prevention Funds federal funding for community-based prevention programs

## PPACA and Tobacco Use Prevention and Control

Under the Patient Protection and Affordable Care Act:

#### **Medicaid Coverage for Cessation Services:**

- 2010 mandatory coverage for pregnant women
- 2013 voluntary coverage of cessation services will mean increased federal reimbursements.
- 2014 mandatory coverage of smoking cessation medications

## PPACA and Tobacco Use Prevention and Control

#### **More on Medicaid:**

- The Centers for Medicare and Medicaid Services (CMS) released new smoking cessation guidelines.
- Guidance on PPACA provisions concerning Medicaid coverage of smoking cessation
- 100% federal match for providing telephone quitline services to Medicaid beneficiaries.

### Update on e-cigarettes

#### FDA regulation of e-cigarettes as tobacco

- On April 25, the Food and Drug Administration decided to categorize and regulate e-cigarettes as tobacco products, rather than as drug delivery devices, as they had sought to do previously.
- There is no scientific evidence that e-cigarettes are safe
- There is no scientific evidence that e-cigarettes help people quit smoking.

### Update on e-cigarettes

#### **ACS CAN Position**

- Our focus must remain on well-established best practices including:
  - smoke-free work environments,
  - pricing strategies that dis-incentivize youth use, and
  - fully funding quality tobacco control programs.

# Progress in New Mexico – Reducing the Impact of Tobacco

#### **Proven Policies:**

New Mexico has made significant progress in implementing policies that are proven to decrease tobaccorelated death and disease.

#### Progress in New Mexico

#### **Proven Policies:**

 Cessation Treatment Coverage by Insurance

Very few states require insurers to cover tobacco cessation treatment. NM is among the leaders.

Dee Johnson Clean Indoor Air Act

NM was #17 in 2007, now more than 35 states have statewide laws.

#### Progress in New Mexico

#### **Proven Policies:**

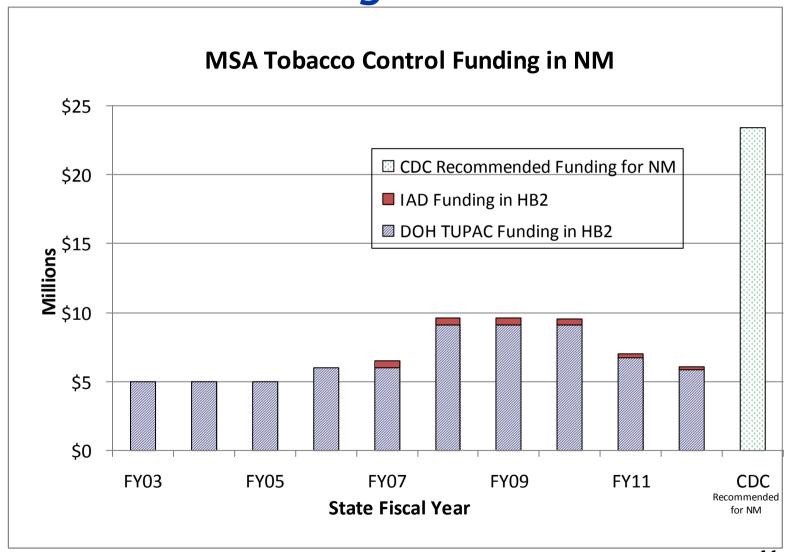
#### **Raising Cigarette Taxes**

- NM has raised the cigarette tax twice in the past decade to \$1.66 per pack, ranking 21<sup>st</sup> among the states, territories and DC
- In the region, Utah and Arizona have higher cigarette taxes than NM, Colorado and Texas have lower cigarette taxes

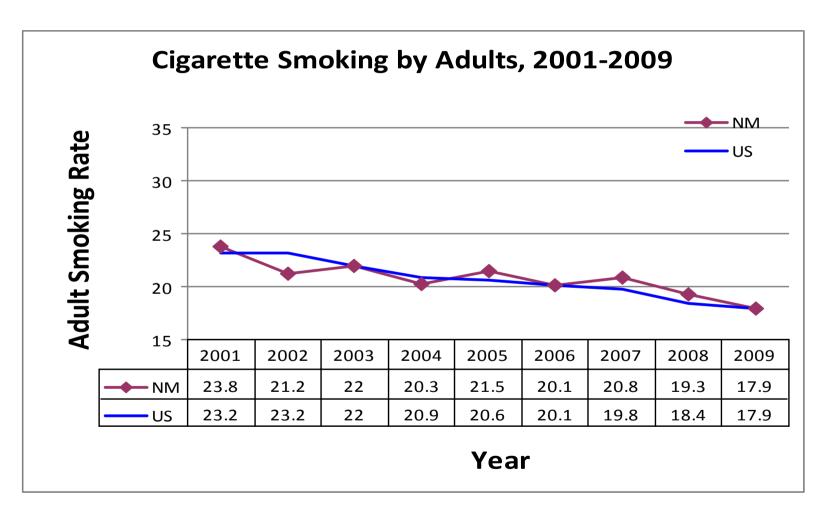
#### **Funding Comprehensive Tobacco Control**

 NM has funded tobacco control programs since 2001, progressively increasing funding through FY10

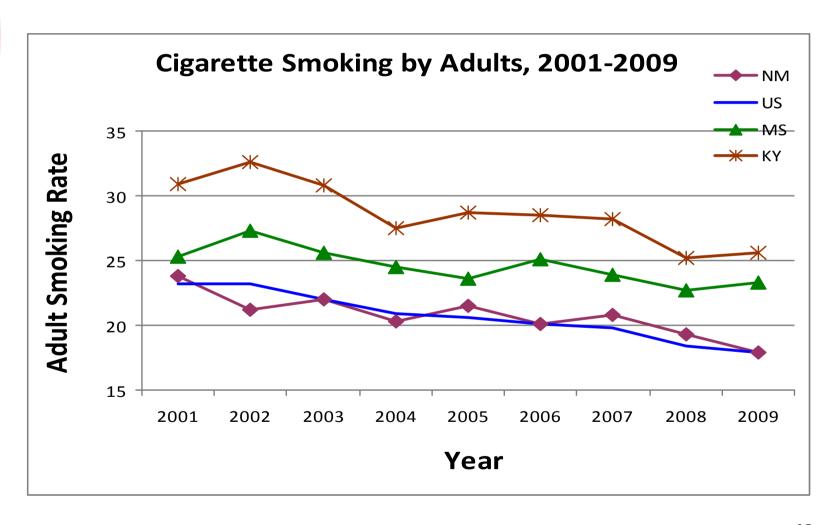
## Progress in New Mexico – Tobacco Control Funding



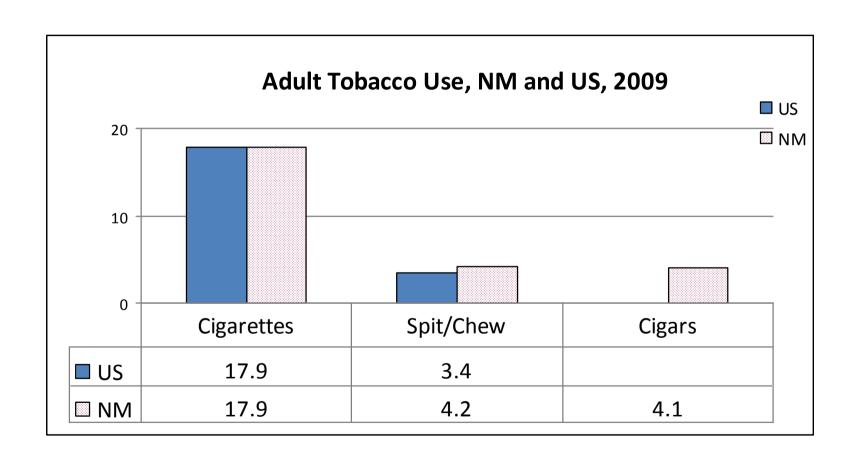
## Progress in New Mexico – Adult Smoking



## Progress in New Mexico – Adult Smoking



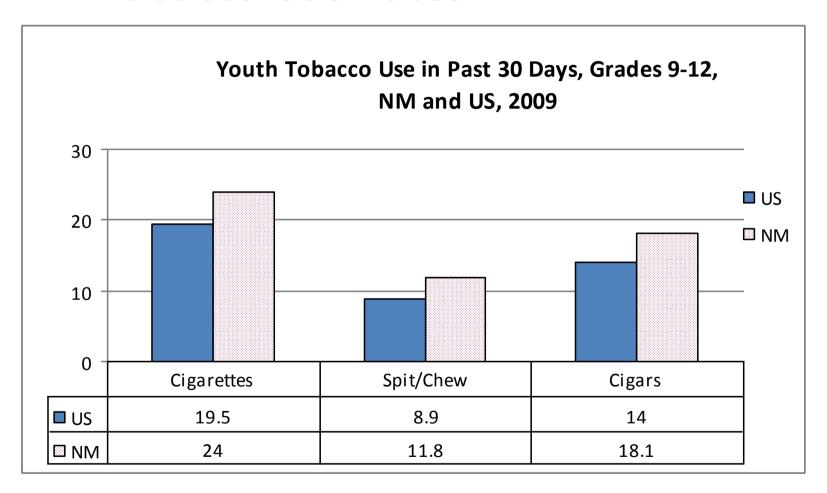
### Progress in New Mexico – Adult Tobacco Use Rates



Sources: 2009 Behavioral Risk Factor Surveillance System (BRFSS) and 2009 NM Adult Tobacco Survey14

Note: 2009 US Cigar prevalence data currently unavailable

### Progress in New Mexico – Youth Tobacco Use Rates



Sources: NM Youth Risk and Resiliency Survey (YRRS) and CDC Youth Risk and Behavior Surveillance (YRBS)

### **Moving Forward**

- Restore funding to tobacco control programming
- Return to saving 50% of MSA payments in the permanent fund
- Defend the Dee Johnson Clean Indoor Air Act
- Increase the tax on non-cigarette tobacco products

# Increasing the Tax on Tobacco Products (Other than Cigarettes)

What's the difference between these and this?





New Mexico has never increased the tax on non-cigarette tobacco products

# Increasing the Tax on Tobacco Products (Other than Cigarettes)

- Increasing the unit price decreases consumption, decreasing initiation by youth and increasing quitting
- Raising the tax on non-cigarette tobacco products to be equivalent to the cigarette tax will generate nearly \$7 million per year.
- Eliminating this loophole saves money. It saves lives. And it puts harmful and highly addictive products a little further out of reach of New Mexico kids.

## Moving Forward to Combat Tobacco-Related Illness and Death

- Restore funding to tobacco control programming
- Return to saving 50% of MSA payments in the permanent fund
- Defend the Dee Johnson Clean Indoor Air Act
- ✓ Increase the tax on non-cigarette tobacco products



#### Thank You!

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